

OSDBU UPDATE

Issue 4

July 2000

Notes from Scott

As happens every Spring and Summer, we've been very busy in OSDBU. However, from the calls we've been receiving, small business advocates in our field facilities are busier than we are. Here are some of the changes since our last issue:

On May 18, VA and SBA executed a Memorandum of Understanding to Support Women-owned Small Businesses. The MOU is attached to this issue. While VA has historically exceeded the minimum legislated 5% goal, we must continue to strive to improve our awards to this vital business segment. Major elements include appointing a primary and alternate women's Business Advocate; enhancing our internal awards and external recognition programs; issuing a statement from the Secretary supporting achieving the 5% goal; working with Women's Resource Centers to provide information on VA procurement opportunities; dedicating an edition of the OSDBU Update to WOSB issues and developing a best practices guide to WOSB subcontracting.

On May 23, President Clinton signed Executive Order

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HUBZone Research

By Ilene Waggoner

As you are probably all aware VA has a goal of 1.5% of total procurement for fiscal year 2000 for awards to HUBZone companies. We here at OSDBU have been trying to help our procurement offices to understand the program and identify HUB Zone certified companies.

We have two interns from the WINNs program (Washington Internships for Native Students) here in OSDBU this summer. They have been working on identifying and contacting the HUBZone certified companies. OSDBU contacted by email all of the HUB Zone companies listed in PRO-NET and asked them to fill out a survey questionnaire. We are at the present time compiling the information from the survey form and will at a future date forward that information to the Network Logistic Officers at each of the VISNs. It is our hope that this will help each of the VISNs to better identify and utilize HUBZone companies in their area.

To determine if you are in a HUB Zone area you can access SBAs database which tells you how to navigate the HUBZone maps. To help meet their HUBZone goal some of the stations after having verified they are close to a HUBZone, and they have a small business that they suspect could qualify for HUBZone status, they encourage the company to register with SBA and to get HUBZone certification. Information on certification is also available on SBAs website. Qualifications for a company to certify for HUB status is:

- It is small
- It is located in an "historically underutilized business zone" (HUBZone)
- It is owned and controlled by one or more U.S. Citizens, and
- At least 35% of its employees reside in a HUBZone.

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13157, Increasing Opportunities for Women-Owned Small Businesses. This EO and VA's MOU will provide a strong department infrastructure for emphasizing market research and contracting opportunities to support women in business. OSDBU and OA&MM's Acquisition Resources are developing internal guidance to roll-out this executive order. Major elements include the requirement for a long-term, comprehensive plan to expand opportunities WOSBs; designating a senior acquisition official who will work with SBA to identify and promote contracting opportunities for WOSBs; prescribing procedures to ensure acquisition planners structure acquisitions to facilitate competition among small businesses and offering industry-wide and industry-specific outreach and technical assistance. The head of each Federal agency shall work closely with the SBA, the Office of Federal Procurement Policy and others to develop procedures to increase compliance by prime contractors with subcontracting plans.

VA and SBA executed a Memorandum of Understanding to Support Veterans Entrepreneurship. The official signing ceremony for this MOU was June 12. Deputy Secretary Hershel Gober represented VA. Aida Alvarez, Administrator of the Small Business Administration and Woody McCutcheon of the Association of Small Business Development Centers were the other signatories. In the last Update, you received a copy of this MOU. It will also be posted on our web page.

VA's MOU with SBA for streamlined processing of 8(a) requirements was scheduled to expire on June 13. Thanks to excellent work from Ms. **Rita Williams** of OA&MM's Acquisition Resources office, the MOU has been extended through the end of this Fiscal Year. Please mark your copies of IL 90-99-3 to reflect this change.

June 28, the Supply Fund Board of Directors approved our request to staff VA's Center for Veterans Enterprise. As previously reported, VA has many specific tasks and responsibilities under this legislation, some of which occur annually.

July 6, SBA raised the size standard for Standard Industrial Classification Group 7363, Health Supply Services to \$10 Million. Details are reported in the June 6 Federal Register.

July 17, SBA raised the size standard for:

Standard Industrial Classification Major Group 15, Building Construction (General) to \$27.5 Million.

Standard Industrial Classification Major Group 16, Heavy Construction (Other than Building Construction) to \$27.5 Million.

Standard Industrial Classification Major Group 17, Construction (Special Trades) to \$11.5 Million.

Standard Industrial Classification Group 4212, Garbage and Refuse Collection, without disposal, to \$10 Million.

Standard Industrial Classification Group 4953, Refuse Systems, to \$10 Million.

Details are reported in the June 16 Federal Register.

Many of you have been busy staffing vendor counseling tables at small business conferences in your communities. We want to convey our sincere appreciation for your efforts in helping businesses understand VA procurement methods and opportunities. Keep up the good work.

Scott Denniston
Director



***REMEMBER SMALL BUSINESS
BUILD AMERICA!***

SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS REPORTING:

VA's IFCAP, the feeder system for the Summary Report of Actions Under \$25,000 need to be modified to capture service-disabled veteran-owned small business data. For FY 2000 reporting, if your facility provides a list of disabled veteran-owned small businesses to our office, we will be happy to contact the vendor and determine whether the firm is eligible to report as a service-disabled veteran-owned small business. Please ensure that only service-disabled veteran data is reported in the "disabled veteran" column this year.

WAIVER OF COMMERCE BUSINESS DAILY SYNOPSIS REQUIREMENTS FOR SERVICES UNDER THE SIMPLIFIED ACQUISITION THRESHOLD

As we approach the year-end, it's timely to remind contracting officers that they may waive Commerce Business Daily (CBD) synopsis requirements when they follow the guidance in the waiver to FAR 5.202(b), signed by Secretary Togo D. West, Jr., on Feb 18, 2000. If your requirement is between \$25,000 and \$100,000 and you are setting it aside for small businesses, if you use SBA's PRO-NET database (<http://www.pro-net.sba.gov>) as your sourcing list and identify at least 5 firms who can provide the service, you can waive the CBD notice. There are a few stipulations outlined in the waiver, such as including WOSB, SDB and VOB firms when you find them and soliciting firms not recently used by your contracting activity. You may not use the waiver if products represent more than 20% of the requirement. The actual waiver should be available on the OA&MM web site by the time you read this. Otherwise, you may call or email Rita Williams of the Acquisition Resources office to obtain a print version of the waiver.

Existing businesses that choose to move to qualified areas are eligible.

The order of precedence when making the decision as to which procurement mechanism to use is as follows:

- 8(a) HUBZone
- 8(a) Company
- HUB Set-aside
- HUB Sole Source
- SB Set-Aside
- Full & Open

Competitive HUBZone contracts can be awarded if the contracting officer has a reasonable expectation that at least two qualified HUBZone small businesses will submit offers and that the contract will be awarded at a fair market price.

Sole-Source HUB Zone contracts can be awarded if the contracting officer does not have a reasonable expectation that two or more qualified HUBZone small businesses will submit offers, determines that the qualified HUBZone small business is responsible, and determines that the contract will be awarded at a fair price.

Full and open competition contracts can be awarded with a price evaluation preference. The offer of the HUBZone small business must not be above 10 percent higher than the offer of the non-HUBZone/non-small business.

To search for eligible HUBZone businesses, contracting officers can use SBA's Procurement Marketing and Access Network (PRO-NET) by logging onto the SBA website at <http://www.sba.gov/PRO-NET>.

The staff in OSDBU is willing to help you with any questions you may have regarding the HUBZone program. Please feel free to contact our office at 1-800-949-8387.

TRADE SHOWS AND CONFERENCES

One of the duties in OSDBU is attending the various trade shows and small business conferences. We of course cannot cover the entire country and so many times we call on the small business specialists to attend the conferences. We are grateful for the willingness of the individuals at the stations to attend these functions. A list of the upcoming conferences that we are aware of follows:

7 AUG VA Information Technology Conference
Austin, Texas

8 AUG NASA New England Conference
Providence, Rhode Island

8 AUG American GI Forum
Denver, Colorado

9 AUG Economic Opportunity Exposition 2000
Lufkin, Texas

15 AUG Carolinas MSDC 23rd Annual Business Conference
Greenville, South Carolina

8 AUG 2000 Gov't Procurement Conference
Merriville, Indiana

16 AUG Tennessee MSDC Annual Minority Business Fair
Nashville, Tennessee

11 AUG Georgia MSDC
Atlanta, Georgia

13 AUG Congressional Black Caucus Foundation, Inc.
Washington, DC

17 AUG Nevada MSDC Minority Business Opp. Day
Las Vegas, Nevada

18 AUG Northwest Indian Veterans Outreach
Coeur d' Alene, Idaho

18 AUG NMSC Expo 2000
Atlantic City, New Jersey

20 AUG Minority Supplier Development Council
Ledyard, Connecticut

24 AUG MED Week
Crystal City, Virginia

27 AUG Minnesota N MSDC Corporate Minority Business Exchange
Minneapolis, Minnesota

5 OCT Minority Supplier Development Council
Davenport, Iowa

15 OCT Leaders Summit and Market Place
Washington, DC

25 OCT MedWeek 200 South Padre Island
South Padre Island, Texas

8 NOV Veterans Mean Business Conference
Dayton, Ohio

14 NOV Veterans Mean Business Conference
Cincinnati, Ohio

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